Notice of Decision & Response to Comments

In accordance with the provisions of Section 4-168(e) of the *Connecticut General Statutes*, the **Department of Consumer Protection** hereby gives notice it has decided to move forward with a proposed regulation concerning **Real Estate Licensees**.

Notice of Intent to adopt said regulation was initially posted to the eRegulations System website on February 2, 2024, with an amended Notice of Intent published on July 2, 2024. The eRegulations System tracking number assigned to the proposed regulation is PR2023-055.

The Department of Consumer Protection opened a public comment period from July 2, 2024, through 5:00 p.m. on August 1, 2024, to solicit public input regarding a proposed administrative regulation concerning Real Estate Licensees.

These proposed regulations clarify requirements related to real estate licensing rules as modified by Public Act 23-84. Specifically, these regulations clarify the rules regarding: (1) disclosure requirements for real estate licensees dealing with unrepresented persons; (2) leasing agents; and (3) continuing education schools and courses. These regulations also consolidate the real estate licensing regulations reducing the number of separate regulatory sections from five to three.

The Department of Consumer Protection received one written comment from CT Realtors ("CTR"). No revisions to the regulation are required based on the comment received.

CTR seeks clarity on the impact the proposed regulation has on real estate salespersons who advertise using a team name and the name of their supervising licensee (see section 20-328-5a(k)). The definition of "Team" is set forth in Connecticut General Statutes Section 20-311. A real estate salesperson may advertise in one of two ways:

- 1. An advertisement for their individual services, which advertisement must contain the information of their supervising broker, see section 20-328-5a of the proposed regulations; or
- 2. Promoting their affiliation with a Team, which requires compliance with all of the Teams advertising requirements set forth in Connecticut General Statutes Section 20-312.

If a salesperson is advertising a Team, or their inclusion in a Team, the advertisement must:

- 1. Comply with all advertising requirements and standards that apply to real estate brokers; and
- 2. Shall include the name of the team's sponsoring real estate broker at a prominent location in all of the Team advertisements.

The prohibition in 20-328-5a(k) that a salesperson may not include a business name in their advertisement does not supersede the requirement to include their broker's information, which may be a business entity that uses a word such as "realty" or "corporation." The proposed regulation only reinforces the regulatory framework put in place to ensure individual licensees do not misrepresent their status.

The proposed regulation limits salespersons who are part of a Team from using language that implies they are a business entity. Advertising an affiliation with a Team and including the information of a business entity supervising licensee is compliant with the law and does not imply that the licensee is a business entity. It simply discloses their relationship with a Team and their supervising licensee.

Thank you for your interest in this proposed regulation and the work of the Department of Consumer Protection.

Julianne Avallone

Legal Director

Department of Consumer Protection

Dated: August 9, 2024